

HOUSE BILL 3248

By Montgomery

AN ACT to amend Tennessee Code Annotated, Section 67-6-103.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-103(d)(1), is amended by deleting subdivision (A) in its entirety and by substituting instead the following language:

(A) Notwithstanding the allocations provided for in subsection (a), if there exists in a municipality a sports authority organized pursuant to the provisions of title 7, chapter 67, and if that sports authority has secured a major league professional baseball (American or National League), football (National Football League or Canadian Football League, or its successors or assigns), basketball (National Basketball Association), soccer (Major League Soccer or Major Indoor Soccer League) or major or minor league professional hockey (National Hockey League, Central Hockey League or East Coast Hockey League) franchise for that municipality, and only if such municipality or any board or instrumentality of the municipality reimburses the state for any costs to reallocate apportionments of such tax revenue under this section, then an amount shall be apportioned and distributed to the municipality equal to the amount of state tax revenue derived from the sale of admissions to games of the major or minor league professional sports franchise, and also the sale of food and drink sold on the premises of the sports facility in conjunction with those games, parking charges, and related services, as well as the sale by such major or minor league professional sports franchise, within the county in which the games take place, of authorized franchise goods and products associated with the franchise's operations as a professional sports franchise. Notwithstanding the allocations provided for in subsection (a), if a franchise for a minor league affiliate of a major league baseball team (American or National League)

playing at the Class AA level or higher locates in a municipality in this state and if such municipality constructs a new stadium for such franchise, then at such time as the franchise begins operating in the new stadium, and for a period of thirty (30) years thereafter, an amount shall be apportioned and distributed to the entity that is responsible for retirement of the debt on and maintenance of the stadium in such municipality equal to the amount of state and local tax revenue derived from the sale of admissions to games of the professional sports franchise, and also the sale of food and drink sold on the premises of the stadium used in conjunction with those games, parking charges, and related services, as well as the sale by such professional sports franchise, within the county in which the games take place, of authorized franchise goods and products associated with its operations as a professional sports franchise less local taxes collected in the year preceding the new stadium occupancy. Such amount distributed to the municipality shall be for the exclusive use of the sports authority, or comparable municipal agency formally designated by the municipality, in accordance with the provisions of title 7, chapter 67. For the purpose of this subsection (d), “municipality” means any metropolitan government, incorporated city or county located in the state of Tennessee. Notwithstanding any provision of this subdivision (d)(1)(A) to the contrary, no portion of the revenue derived from the increase in the rate of sales and use tax allocated to educational purposes pursuant to Acts 1992, ch. 529, § 9, and no portion of the revenue derived from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%) contained in Acts 2002, ch. 856, § 4, shall be distributed to the municipality. All such revenue shall continue to be allocated as provided in Acts 1992, ch. 529, and Acts 2002, ch. 856, respectively.

SECTION 2. This act shall take effect July 1, 2008, the public welfare requiring it.